

S - 102 - (2)

CONFIDENTIAL
PERSONAL

Salzburg, 13 September 1946

Report on talk with Sebess Jena Zilahy at Salzburg in the American Zone of occupation with regard to the emigre "government" of General Ferenc Farkas.

The "government" was organized on 20 August 1947 after the famous meeting at Altottingen. Refugee representatives met there and unanimously named Ferenc Farkas the provisional leader after Szalasy Harthy had declined in favor of Ferenc Farkas. Szalasy had already been executed in Budapest in the summer of 1946.

Ferenc Farkas himself subsequently named himself president. Conditions at the time ~~were~~ called for a central Hungarian ^{government} ~~gamb~~ which would be substantially anti-communist and would authoritatively represent the Hungarian people in dealings with the Western powers and the United States. At the time, it was not known that Ferenc Farkas was absolutely with ^{out} ability to head such an organization.

The Ferenc Farkas government was composed of the following individuals: Minister of Defense, Foreign Affairs, Religion and Education: Ferenc Farkas (Sebess Jena Zilahy would have been Deputy Foreign Minister); Minister of Commerce: Zsilinsky; Minister of Propaganda: Jozsef Nyiro; Minister of Interior: Sandor Esso; Agriculture: Inra Mate, ^{Finance:} ~~Ferenc~~ Liptay, Justice: ² ~~Kalman~~ Bocsaary-Spur; Minister with portfolio Antal Incze (Peter's uncle); Chief of Staff: General Zak^o (Deputy Chief of Staff- Szalasy).

General Clay turned down the ^{"government"} ~~"gamb"~~ after it was organized but Washington, i.e., the State Department later nullified Clays' orders and the ^{"government"} ~~"gamb"~~ was again permitted to function. The ^{"government"} ~~"gamb"~~ was not successful because of ^{undue} wrangling among ^{"government"} ~~"gamb"~~ personnel and ^{undue} interference and lack of ability

SECRET

on the part of Ferenc Farkas.

Esso, Mate, and Liptay were Ferenc Farkas's closest associates. ^{Stice} ~~Esso~~
Stompfay did not get a ^{post} ~~post~~ in the ^{"Government"} ~~"gout"~~ because of his intrigues and because he was not considered ^{racially} ~~socially~~ Hungarian. Stompfay ^{Stice} was later courted by the French (TN: emigrees) but when he could get nowhere with them either, he denounced and fought against both groups.

The ^{"Government"} ~~"gout"~~ continued to operate in this way until February or March, 1948. In April 1948, Sebess Jeno who had been dissatisfied with failures and intrigues of the organization submitted his resignation. Thereafter, the ^{"Government"} ~~"gout"~~ ran into greater difficulties. It no longer received American support, not even the indirect support of certain CIC officials. The ^{"Government"} ~~"gout"~~ went into a quasi-dissolution and most of the members began to scatter. The organization of the Central Committee of course brought about a change in this respect.

The personal relationships are described by Sebess Jena as follows:
Sandor Esso was hindered by the "legitimists" who held good positions. Nate and Liptoy had favored positions with Farkas but their primitive methods made them ineffectual. Incze has gone to Brazil and Zsilinsky has also left the country. ^{Nyimo} ~~Nyimo~~ is preparing to leave for America to publish this book.

The M. Sz. M. ^{Magyar} ~~Magyar~~ Szabadsag Mozgalom (Hungarian Freedom Movement) was organized under the ^{acg's} ~~acg's~~ of Ferenc Farkas. on 22 April 1948. The objects of the movement are:

- 1) Unification and consolidation of Hungarian emigrees.
- 2) Prevent the Communist-Satellite Hungarian government from obtaining possession of foreign Hungarian property.
- 3) Organizing newspapers.
- 4) Organizing clubs under the name of Duxachub [Danube Club]

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SECRET

Sebens Jens is very sorry for the time he spent in ^{collaborating} ~~allaboration~~ with the "government" because it represented nothing more than material and moral loss to him.